

Mr. HASTINGS of Florida. Mr. Speaker, this bill on the floor today will significantly improve the lives of the veterans who have served us so honorably.

H.R. 4514, Veterans Major Medical Facilities Construction Act, provides an increase to the Veterans Administration to improve patient care facilities. This bill is targeted at specified medical facility projects in California, Ohio, Alaska, Connecticut and Florida. It authorizes ten projects to improve, renovate and update patient care facilities at VA medical centers in these five states. The measure sets specific authorizations for each project in FY 2003 and an overall authorization of \$285 million in FY 2003 for all ten projects. The much needed improvements in patient care at these facilities will include accommodations for veterans with disabilities, blind rehabilitation centers, programs for seriously mentally ill patients, rehabilitation programs for substance abuse, and facilities for hospice care.

My colleagues may recall that when we were debating the rule for the Defense Authorization Act earlier this month, I expressed concerns about the projected rise in the number of veterans and retirees over the next few years, especially those over the age of 65.

Caring for these Americans in the coming years will be one of the greatest challenges facing the military health care system and the Veterans Administration.

Mr. SHOWS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey (Mr. SMITH) that the House suspend the rules and pass the bill, H.R. 4514, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. SMITH of New Jersey. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

## JOBS FOR VETERANS ACT

Mr. SMITH of New Jersey. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4015) to amend title 38, United States Code, to revise and improve employment, training, and placement services furnished to veterans, and for other purposes, as amended.

The Clerk read as follows:

H. R. 4015

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

### SECTION 1. SHORT TITLE; REFERENCES TO TITLE 38, UNITED STATES CODE; TABLE OF CONTENTS.

(a) **SHORT TITLE.**—This Act may be cited as the "Jobs for Veterans Act".

(b) **REFERENCES TO TITLE 38, UNITED STATES CODE.**—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is

expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

(c) **TABLE OF CONTENTS.**—The table of contents of this Act is as follows:

Sec. 1. Short title; references to title 38, United States Code.

Sec. 2. Priority of service for veterans in Department of Labor job training programs.

Sec. 3. Performance incentive awards for quality veterans employment, training, and placement services.

Sec. 4. Refinement of job training and placement functions of the Department.

Sec. 5. Additional improvements in veterans employment and training services.

Sec. 6. Committee to raise employer awareness of skills of veterans and benefits of hiring veterans.

Sec. 7. Sense of Congress commending veterans and military service organizations.

Sec. 8. Study on economic benefits to the United States of long-term sustained employment of veterans.

### SEC. 2. PRIORITY OF SERVICE FOR VETERANS IN DEPARTMENT OF LABOR JOB TRAINING PROGRAMS.

(a) **VETERANS' JOB TRAINING ASSISTANCE.**—

(1) **IN GENERAL.**—Chapter 42 is amended by adding at the end the following new section:

#### "§4215. Priority of service for veterans in Department of Labor job training programs

"(a) **DEFINITIONS.**—In this section:

"(1) The term 'covered person' means any of the following individuals:

"(A) A veteran.

"(B) The spouse of any of the following individuals:

"(i) Any veteran who died of a service-connected disability.

"(ii) Any member of the Armed Forces serving on active duty who, at the time of application for assistance under this section, is listed, pursuant to section 556 of title 37 and regulations issued thereunder, by the Secretary concerned in one or more of the following categories and has been so listed for a total of more than 90 days: (I) missing in action, (II) captured in line of duty by a hostile force, or (III) forcibly detained or interned in line of duty by a foreign government or power.

"(iii) Any veteran who has a total disability resulting from a service-connected disability.

"(iv) Any veteran who died while a disability so evaluated was in existence.

"(2) The term 'qualified job training program' means any workforce preparation, development, or delivery program or service that is directly funded, in whole or in part, by the Department of Labor and includes the following:

"(A) Any such program or service that uses technology to assist individuals to access workforce development programs (such as job and training opportunities, labor market information, career assessment tools, and related support services).

"(B) Any such program or service under the public employment service system, one-stop career centers, the Workforce Investment Act of 1998, a demonstration or other temporary program, and those programs implemented by States or local service providers based on Federal block grants administered by the Department of Labor.

"(C) Any such program or service that is a workforce development program targeted to specific groups.

"(3) The term 'priority of service' means, with respect to any qualified job training program, that a covered person shall be given priority over nonveterans for the receipt of employment, training, and placement services provided under that program, notwithstanding any other provision of law.

"(b) **ENTITLEMENT TO PRIORITY OF SERVICE.**—

(1) A covered person is entitled to priority of service under any qualified job training program if the person otherwise meets the eligibility requirements for participation in such program.

"(2) The Secretary of Labor may establish priorities among covered persons for purposes of this section to take into account the needs of disabled veterans and special disabled veterans, and such other factors as the Secretary determines appropriate.

"(c) **ADMINISTRATION OF PROGRAMS AT STATE AND LOCAL LEVELS.**—An entity of a State or a political subdivision of the State that administers or delivers services under a qualified job training program shall—

"(1) provide information and priority of service to covered persons regarding benefits and services that may be obtained through other entities or service providers; and

"(2) ensure that each covered person who applies to or who is assisted by such a program is informed of the employment-related rights and benefits to which the person is entitled under this section.

"(d) **ADDITION TO ANNUAL REPORT.**—In the annual report required under section 4107(c) of this title for the program year beginning in 2002 and each subsequent program year, the Secretary of Labor shall evaluate whether covered persons are receiving priority of service and are being fully served by qualified job training programs, and whether the levels of service of such programs are in proportion to the incidence of representation of veterans in the labor market, including within groups that the Secretary may designate for priority under such programs, if any."

(2) **CLERICAL AMENDMENT.**—The table of sections at the beginning of chapter 42 is amended by inserting after the item relating to section 4214 the following new item:

"4215. Priority of service for veterans in Department of Labor job training programs."

(b) **EMPLOYMENT OF VETERANS WITH RESPECT TO FEDERAL CONTRACTS.**—

(1) **IN GENERAL.**—Section 4212(a) is amended to read as follows:

"(a)(1) Any contract in the amount of \$100,000 or more entered into by any department or agency of the United States for the procurement of personal property and nonpersonal services (including construction) for the United States, shall contain a provision requiring that the party contracting with the United States take affirmative action to employ and advance in employment qualified covered veterans. This section applies to any subcontract entered into by a prime contractor in carrying out any such contract.

"(2) In addition to requiring affirmative action to employ such qualified covered veterans under such contracts and subcontracts and in order to promote the implementation of such requirement, the Secretary of Labor shall prescribe regulations requiring that—

"(A) each such contractor for each such contract shall immediately list all of its employment openings with the appropriate employment service delivery system (as defined in section 4101(7) of this title), and may also list such openings with one-stop career centers under the Workforce Investment Act of 1998, other appropriate service delivery points, or America's Job Bank (or any additional or subsequent national electronic job bank established by the Department of Labor), except that the contractor may exclude openings for executive and senior management positions and positions which are to be filled from within the contractor's organization and positions lasting three days or less;

"(B) each such employment service delivery system shall give such qualified covered veterans priority in referral to such employment openings; and

"(C) each such employment service delivery system shall provide a list of such employment

openings to States, political subdivisions of States, or any private entities or organizations under contract to carry out employment, training, and placement services under chapter 41 of this title.

“(3) In this section:

“(A) The term ‘covered veteran’ means any of the following veterans:

“(i) Disabled veterans.

“(ii) Veterans who served on active duty in the Armed Forces during a war or in a campaign or expedition for which a campaign badge has been authorized.

“(iii) Veterans who, while serving on active duty in the Armed Forces, participated in a United States military operation for which an Armed Forces service medal was awarded pursuant to Executive Order 12985 (61 Fed. Reg. 1209).

“(iv) Recently separated veterans.

“(B) The term ‘qualified’, with respect to an employment position, means having the ability to perform the essential functions of the position with or without reasonable accommodation for an individual with a disability.”.

(2) CONFORMING AND TECHNICAL AMENDMENTS.—(A) Section 4212(c) is amended—

(i) by striking “suitable”; and

(ii) by striking “subsection (a)(2) of this section” and inserting “subsection (a)(2)(B)”.

(B) Section 4212(d)(1) is amended—

(i) in the matter preceding subparagraph (A), by striking “of this section” after “subsection (a)”; and

(ii) by amending subparagraphs (A) and (B) to read as follows:

“(A) the number of employees in the workforce of such contractor, by job category and hiring location, and the number of such employees, by job category and hiring location, who are qualified covered veterans;

“(B) the total number of new employees hired by the contractor during the period covered by the report and the number of such employees who are qualified covered veterans; and”.

(C) Section 4212(d)(2) is amended by striking “of this subsection” after “paragraph (1)”.

(D) Section 4211(6) is amended by striking “one-year period” and inserting “three-year period”.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to contracts entered into on or after the first day of the first month that begins 12 months after the date of the enactment of this Act.

(c) EMPLOYMENT WITHIN THE FEDERAL GOVERNMENT.—

(1) PURPOSE.—The second sentence of section 4214(a)(1) is amended—

(A) by inserting “, competent” after “effective”; and

(B) by striking “major” and inserting “uniquely qualified”.

(2) APPOINTMENTS.—Section 4214(b) is amended—

(A) in paragraph (1), by striking “readjustment” and inserting “recruitment”;

(B) in paragraph (2), by striking “to—” and all that follows through the period at the end and inserting “to qualified covered veterans.”;

(C) in paragraph (3)—

(i) by striking subparagraphs (A) and (B);

(ii) by redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively,

(iii) in subparagraph (B), as so redesignated, by striking “The limitations of subparagraphs (A) and (B) of this paragraph” and inserting “The limitation of subparagraph (A)”;

(iv) in subparagraph (C), as so redesignated, by striking “clause (i) of subparagraphs (A) and (B) of this paragraph” and inserting “subparagraph (A)”;

(v) by inserting before subparagraph (B), as so redesignated, the following new subparagraph:

“(A) Except as provided in subparagraph (B), a qualified covered veteran may receive such an appointment only within the 10-year period that begins on the date of the veteran’s last discharge or release from active duty.”.

(3) TECHNICAL AMENDMENTS.—(A) Section 4214(a) is amended—

(i) in the third sentence of paragraph (1), by striking “disabled veterans and certain veterans of the Vietnam era and of the post-Vietnam era” and inserting “qualified covered veterans (as defined in paragraph (2)(B))”; and

(ii) in paragraph (2), to read as follows:

“(2) In this section:

“(A) The term ‘agency’ has the meaning given the term ‘department or agency’ in section 4211(5) of this title.

“(B) The term ‘qualified covered veteran’ means a veteran described in section 4212(a)(3) of this title.”.

(B) Clause (i) of section 4214(e)(2)(B) is amended by striking “of the Vietnam era”.

(C) Section 4214(g) is amended by striking “qualified” the first place it occurs and all that follows through “era” the first place it occurs and inserting “qualified covered veterans”.

### SEC. 3. PERFORMANCE INCENTIVE AWARDS FOR QUALITY VETERANS EMPLOYMENT, TRAINING, AND PLACEMENT SERVICES.

(a) PERFORMANCE INCENTIVE AWARDS FOR QUALITY EMPLOYMENT, TRAINING, AND PLACEMENT SERVICES.—

(1) IN GENERAL.—Chapter 41 is amended by adding at the end the following new section:

#### “§4112. Performance incentive awards for quality employment, training, and placement services

“(a) PROGRAM OF PERFORMANCE INCENTIVE AWARDS.—(1) The Secretary shall carry out a program, consistent with the provisions of this section, of performance incentive awards to States to encourage the improvement and modernization of employment, training, and placement services provided under this chapter. The Secretary shall carry out the program through the Assistant Secretary of Labor for Veterans’ Employment and Training.

“(2) The Secretary shall make performance incentive awards for each program year, beginning with the program year that begins in fiscal year 2004, with respect to services provided under this chapter during the preceding program year.

“(b) CRITERIA FOR ELIGIBILITY FOR AWARDS.—The Secretary shall establish criteria for eligibility for performance incentive awards for purposes of this section in consultation with representatives of States, political subdivisions of States, and other providers of employment, training, and placement services under the Workforce Investment Act of 1998 consistent with the performance measures established under section 4102A(b)(7) of this title.

“(c) DETERMINATION OF AMOUNT OF AWARD.—(1) The Secretary shall determine the amount of performance incentive awards in a State under this section by measuring the performance of the State in providing employment, training, and placement services furnished veterans and eligible persons in each State through employment service delivery systems, through disabled veterans’ outreach program specialists, and through local veterans’ employment representatives during the previous program year based on the measures of performance established under section 4102A(b)(7) of this title.

“(2) In determining the amount of awards under paragraph (1), the Secretary shall—

“(A) provide greater amounts to those States which the Secretary determines furnished, during the preceding fiscal year, the highest quality employment, training, and placement services based on measures of performance;

“(B) provide awards to those States that have made significant improvements in the delivery of such services, as determined by the Secretary, but do not meet the criteria under subparagraph (A); and

“(C) consider the applicable annual unemployment data for the State and other factors, such as prevailing economic conditions, that af-

fect performance of individuals providing employment, training, and placement services in the State.

“(d) USE OF AWARD.—Amounts received by a State under this section may be used—

“(1) to hire additional State veterans employment and training staff; or

“(2) for such other purposes related to the provision of employment, placement, and training services as the Secretary may approve for such services furnished under this chapter to veterans and eligible persons.

“(e) RELATIONSHIP OF AWARD TO GRANT AMOUNTS OR OTHER COMPENSATION.—A performance incentive award under this section is in addition to amounts made available to a State under section 4102A(b)(5) of this title.

“(f) AVAILABILITY FOR OBLIGATION.—Amounts received in a performance incentive award under this section may be obligated by the State during the program year in which the award was received and the subsequent program year.

“(g) APPROPRIATIONS.—The Secretary shall carry out the program under this section from amounts appropriated pursuant to the authorization under section 4106(b)(2) of this title. Such amounts shall only be available to carry out the program under this section.”.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 41 is amended by adding at the end the following new item:

“4112. Performance incentive awards for quality employment, training, and placement services.”.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 4106(b) is amended—

(1) by inserting “(1)” after “(b)”;

(2) by adding at the end the following new paragraph:

“(2) In addition to amounts authorized to be appropriated under paragraph (1), there are authorized to be appropriated to the Secretary to carry out the program of performance incentive awards under section 4112 of this title the following:

“(A) For the program year beginning during fiscal year 2004, \$10,000,000.

“(B) For the program year beginning during fiscal year 2005, \$25,000,000.

“(C) For the program year beginning during fiscal year 2006, \$50,000,000.

“(D) For the program year beginning during fiscal year 2007, \$75,000,000.

“(E) For the program year beginning during fiscal year 2008, \$100,000,000.

“(F) For the program year beginning during fiscal year 2009 and each subsequent fiscal year, such sums as are necessary.”.

### SEC. 4. REFINEMENT OF JOB TRAINING AND PLACEMENT FUNCTIONS OF THE DEPARTMENT.

(a) REVISION OF DEPARTMENT LEVEL SENIOR OFFICIALS AND FUNCTIONS.—

(1) IN GENERAL.—Sections 4102A and 4103 are amended to read as follows:

#### “§4102A. Assistant Secretary of Labor for Veterans’ Employment and Training; program functions; Regional Administrators

“(a) ESTABLISHMENT OF POSITION OF ASSISTANT SECRETARY OF LABOR FOR VETERANS’ EMPLOYMENT AND TRAINING.—(1) There is established within the Department of Labor an Assistant Secretary of Labor for Veterans’ Employment and Training, appointed by the President by and with the advice and consent of the Senate, who shall formulate and implement all departmental policies and procedures to carry out (A) the purposes of this chapter, chapter 42, and chapter 43 of this title, and (B) all other Department of Labor employment, unemployment, and training programs to the extent they affect veterans. The Assistant Secretary of Labor for Veterans’ Employment and Training shall be a veteran.

“(2) The employees of the Department of Labor administering chapter 43 of this title shall

be administratively and functionally responsible to the Assistant Secretary of Labor for Veterans' Employment and Training.

"(3)(A) There shall be within the Department of Labor a Deputy Assistant Secretary of Labor for Veterans' Employment and Training. The Deputy Assistant Secretary shall perform such functions as the Assistant Secretary of Labor for Veterans' Employment and Training prescribes. The Deputy Assistant Secretary shall be a veteran.

"(B) No individual may be appointed as a Deputy Assistant Secretary of Labor for Veterans' Employment and Training unless the individual has at least five years of continuous service in the Federal civil service in the executive branch immediately preceding appointment as the Deputy Assistant Secretary. For purposes of determining such continuous service of an individual, there shall be excluded any service by the individual in a position—

"(i) of a confidential, policy-determining, policy-making, or policy-advocating character;

"(ii) in which the individual served as a non-career appointee in the Senior Executive Service, as such term is defined in section 3132(a)(7) of title 5; or

"(iii) to which the individual was appointed by the President.

"(b) PROGRAM FUNCTIONS.—The Secretary shall carry out the following functions:

"(1) Except as expressly provided otherwise, carry out all provisions of this chapter and chapter 43 of this title through the Assistant Secretary of Labor for Veterans' Employment and Training and administer through such Assistant Secretary all programs under the jurisdiction of the Secretary for the provision of employment and training services designed to meet the needs of all veterans and persons eligible for services furnished under this chapter.

"(2) In order to make maximum use of available resources in meeting such needs, encourage all such programs, and all grantees and contractors under such programs to enter into cooperative arrangements with private industry and business concerns (including small business concerns owned by veterans or disabled veterans), educational institutions, trade associations, and labor unions.

"(3) Ensure that maximum effectiveness and efficiency are achieved in providing services and assistance to eligible veterans under all such programs by coordinating and consulting with the Secretary of Veterans Affairs with respect to (A) programs conducted under other provisions of this title, with particular emphasis on coordination of such programs with readjustment counseling activities carried out under section 1712A of this title, apprenticeship or other on-the-job training programs carried out under section 3687 of this title, and rehabilitation and training activities carried out under chapter 31 of this title and (B) determinations covering veteran population in a State.

"(4) Ensure that employment, training, and placement activities are carried out in coordination and cooperation with appropriate State public employment service officials.

"(5) Subject to subsection (c), make available for use in each State by grant or contract such funds as may be necessary to support—

"(A) disabled veterans' outreach program specialists appointed under section 4103A(a)(1) of this title,

"(B) local veterans' employment representatives assigned under section 4104(b) of this title, and

"(C) the reasonable expenses of such specialists and representatives described in subparagraphs (A) and (B), respectively, for training, travel, supplies, and other business expenses, including travel expenses and per diem for attendance at the National Veterans' Employment and Training Services Institute established under section 4109 of this title.

"(6) Monitor and supervise on a continuing basis the distribution and use of funds provided for use in the States under paragraph (5).

"(7) Establish, and update as appropriate, a comprehensive performance accountability system (as described in subsection (f)) and carry out annual performance reviews of veterans employment, training, and placement services provided through employment service delivery systems, through disabled veterans' outreach program specialists, and through local veterans' employment representatives in States receiving grants, contracts, or awards under this chapter.

"(c) CONDITIONS FOR RECEIPT OF FUNDS.—(1) The distribution and use of funds under subsection (b)(5) in order to carry out sections 4103A(a) and 4104(a) of this title shall be subject to the continuing supervision and monitoring of the Secretary and shall not be governed by the provisions of any other law, or any regulations prescribed thereunder, that are inconsistent with this section or section 4103A or 4104 of this title.

"(2)(A) A State shall submit to the Secretary an application for a grant or contract under subsection (b)(5). The application shall contain the following information:

"(i) A plan that describes the manner in which the State shall furnish employment, training, and placement services required under this chapter for the program year, including a description of—

"(I) duties assigned by the State to disabled veterans' outreach program specialists and local veterans' employment representatives consistent with the requirements of sections 4103A and 4104 of this title; and

"(II) the manner in which such specialists and representatives are integrated in the employment service delivery systems in the State.

"(ii) The veteran population to be served.

"(iii) Such additional information as the Secretary may require to make a determination with respect to awarding a grant or contract to the State.

"(B)(i) Subject to the succeeding provisions of this subparagraph, of the amount available under subsection (b)(5) for a fiscal year, the Secretary shall make available to each State with an application approved by the Secretary an amount of funding in proportion to the number of veterans seeking employment using such criteria as the Secretary may establish in regulation, including civilian labor force and unemployment data, for the State on an annual basis. The proportion of funding shall reflect the ratio of—

"(I) the total number of veterans residing in the State that are seeking employment; to

"(II) the total number of veterans seeking employment in all States.

"(ii) The Secretary shall phase in over the three fiscal-year period that begins on October 1, 2002, the manner in which amounts are made available to States under subsection (b)(5) and this subsection, as amended by the Jobs for Veterans Act.

"(iii) In carrying out this paragraph, the Secretary may establish minimum funding levels and hold-harmless criteria for States.

"(3)(A) As a condition of a grant or contract under this section for a program year, in the case of a State that the Secretary determines has an entered-employment rate for veterans that is deficient for the preceding program year, the State shall develop and implement a corrective action plan to improve that rate for veterans in the State. The State shall submit the corrective action plan to the Secretary.

"(B) To carry out subparagraph (A), the Secretary shall establish in regulations a uniform national threshold entered-employment rate for veterans for a program year by which determinations of deficiency may be made under subparagraph (A).

"(C) In making a determination with respect to a deficiency under subparagraph (A), the Secretary shall take into account the applicable annual unemployment data for the State and consider other factors, such as prevailing economic conditions, that affect performance of in-

dividuals providing employment, training, and placement services in the State.

"(4) In determining the terms and conditions of a grant or contract under which funds are made available to a State in order to carry out section 4103A or 4104 of this title, the Secretary shall take into account—

"(A) the results of reviews, carried out pursuant to subsection (b)(7), of the performance of the employment, training, and placement service delivery system in the State, and

"(B) the monitoring carried out under this section.

"(5) Each grant or contract by which funds are made available to a State shall contain a provision requiring the recipient of the funds—

"(A) to comply with the provisions of this chapter; and

"(B) on an annual basis, to notify to Secretary of, and provide supporting rationale for, each nonveteran who is employed as a disabled veterans' outreach program specialist and local veterans' employment representative for a period in excess of 6 months.

"(6) Each State shall coordinate employment, training, and placement services furnished to veterans and eligible persons under this chapter with such services furnished with respect to such veterans and persons under the Workforce Investment Act of 1998 and the Wagner-Peyser Act.

"(d) PARTICIPATION IN OTHER FEDERALLY FUNDED JOB TRAINING PROGRAMS.—The Assistant Secretary of Labor for Veterans' Employment and Training shall promote and monitor participation of qualified veterans and eligible persons in employment and training opportunities under title I of the Workforce Investment Act of 1998 and other federally funded employment and training programs.

"(e) REGIONAL ADMINISTRATORS.—(1) The Secretary shall assign to each region for which the Secretary operates a regional office a representative of the Veterans' Employment and Training Service to serve as the Regional Administrator for Veterans' Employment and Training in such region. A person may not be assigned after October 9, 1996, as such a Regional Administrator unless the person is a veteran.

"(2) Each such Regional Administrator shall carry out such duties as the Secretary may require to promote veterans employment and reemployment within the region that the Administrator serves.

"(f) ESTABLISHMENT OF PERFORMANCE STANDARDS AND OUTCOMES MEASURES.—(1) By not later than 3 months after the date of the enactment of this section, the Assistant Secretary of Labor for Veterans' Employment and Training shall establish and implement a comprehensive performance accountability system to measure the performance of employment service delivery systems, disabled veterans' outreach program specialists, and local veterans' employment representatives providing employment, training, and placement services under this chapter in a State to provide accountability of that State to the Secretary for purposes of subsection (c).

"(2) Such standards and measures shall—

"(A) be consistent with State performance measures applicable under section 136(b) of the Workforce Investment Act of 1998; and

"(B) be appropriately weighted to provide special consideration for placement of (i) veterans requiring intensive services (as defined in section 4101(9) of this title), such as special disabled veterans and disabled veterans, and (ii) veterans who enroll in readjustment counseling under section 1712A of this title.

**"§4103. Directors and Assistant Directors for Veterans' Employment and Training; additional Federal personnel**

"(a) DIRECTORS AND ASSISTANT DIRECTORS.—(1) The Secretary shall assign to each State a representative of the Veterans' Employment and Training Service to serve as the Director for Veterans' Employment and Training, and shall assign full-time Federal clerical or other support personnel to each such Director.

“(2) Full-time Federal clerical or other support personnel assigned to Directors for Veterans’ Employment and Training shall be appointed in accordance with the provisions of title 5 governing appointments in the competitive service and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of title 5.

“(b) ADDITIONAL FEDERAL PERSONNEL.—The Secretary may also assign as supervisory personnel such representatives of the Veterans’ Employment and Training Service as the Secretary determines appropriate to carry out the employment, training, and placement services required under this chapter, including Assistant Directors for Veterans’ Employment and Training.”.

(2) CLERICAL AMENDMENTS.—The items relating to sections 4102A and 4103, respectively, in the table of sections at the beginning of chapter 41 are amended to read as follows:

“4102A. Assistant Secretary of Labor for Veterans’ Employment and Training; program functions; Regional Administrators.

“4103. Directors and Assistant Directors for Veterans’ Employment and Training; additional Federal personnel.”.

(3) CONFORMING AMENDMENT RELATING TO PERFORMANCE STANDARDS.—(A)(i) Section 4104A is repealed.

(ii) The table of sections at the beginning of chapter 41 is amended by striking the item relating to section 4104A.

(B) Section 4107(b) is amended by striking “The Secretary shall establish definitive performance standards” and inserting “The Secretary shall apply performance standards established under section 4102A(f) of this title”.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on December 1, 2002, and shall apply to appointments made on or after that date.

(b) REVISION OF STATUTORILY DEFINED DUTIES OF DISABLED VETERANS’ OUTREACH PROGRAM SPECIALISTS AND LOCAL VETERANS’ EMPLOYMENT REPRESENTATIVES.—

(1) DISABLED VETERANS’ OUTREACH PROGRAM SPECIALISTS.—Section 4103A is amended by striking all after the heading and inserting the following:

“(a) REQUIREMENT FOR EMPLOYMENT BY STATES OF A SUFFICIENT NUMBER OF SPECIALISTS.—(1) Subject to approval by the Secretary, a State shall employ such full- or part-time disabled veterans’ outreach program specialists as the State determines appropriate and efficient to carry out intensive services under this chapter to meet the employment needs of eligible veterans with the following priority in the provision of services:

“(A) Special disabled veterans.

“(B) Other disabled veterans.

“(C) Other eligible veterans in accordance with priorities determined by the Secretary taking into account applicable rates of unemployment and the employment emphases set forth in chapter 42 of this title.

“(2) In the provision of services in accordance with this subsection, maximum emphasis in meeting the employment needs of veterans shall be placed on assisting economically or educationally disadvantaged veterans.

“(b) REQUIREMENT FOR QUALIFIED VETERANS.—A State shall, to the maximum extent practicable, employ qualified veterans to carry out the services referred to in subsection (a). Preference shall be given in the appointment of such specialists to qualified disabled veterans.”.

(2) LOCAL VETERANS’ EMPLOYMENT REPRESENTATIVES.—Section 4104 is amended by striking all after the heading and inserting the following:

“(a) REQUIREMENT FOR EMPLOYMENT BY STATES OF A SUFFICIENT NUMBER OF REPRESENTATIVES.—Subject to approval by the Secretary, a State shall employ such full- and part-time local veterans’ employment representatives as the State determines appropriate and effi-

cient to carry out employment, training, and placement services under this chapter.

“(b) PRINCIPAL DUTIES.—As principal duties, local veterans’ employment representatives shall—

“(1) conduct outreach to employers in the area to assist veterans in gaining employment, including conducting seminars for employers and, in conjunction with employers, conducting job search workshops and establishing job search groups; and

“(2) facilitate employment, training, and placement services furnished to veterans in a State under the applicable State employment service delivery systems.

“(c) PREFERENCE FOR QUALIFIED VETERANS.—A State shall, to the maximum extent practicable, employ qualified veterans to carry out the services referred to in subsection (a).

“(d) REPORTING.—Each local veterans’ employment representative shall be administratively responsible to the manager of the employment service delivery system and shall provide reports, not less frequently than quarterly, to the manager of such office and to the Director for Veterans’ Employment and Training for the State regarding compliance with Federal law and regulations with respect to special services and priorities for eligible veterans and eligible persons.”.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on December 1, 2002, and shall apply to appointments made on or after that date.

(c) REQUIREMENT TO PROMPTLY ESTABLISH ONE-STOP EMPLOYMENT SERVICES.—By not later than 18 months after the date of the enactment of this Act, the Secretary of Labor shall provide one-stop services and assistance to covered persons electronically by means of the Internet, as defined in section 231(e)(3) of the Communications Act of 1934, and such other electronic means to enhance the delivery of such services and assistance.

(d) REQUIREMENT FOR BUDGET LINE ITEM FOR TRAINING SERVICES INSTITUTE.—

(1) IN GENERAL.—The last sentence of section 4106(a) is amended to read as follows: “Each budget submission with respect to such funds shall include a separate listing of the amount for the National Veterans’ Employment and Training Services Institute together with information demonstrating the compliance of such budget submission with the funding requirements specified in the preceding sentence.”.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on the date of the enactment of this Act, and apply to budget submissions for fiscal year 2004 and each subsequent fiscal year.

(e) CONFORMING AMENDMENTS.—(1) Section 4107(c)(5) is amended by striking “(including the need” and all that follows through “representatives)”.

(2) Section 3117(a)(2)(B) is amended to read as follows:

“(B) utilization of employment, training, and placement services under chapter 41 of this title; and”.

## SEC. 5. ADDITIONAL IMPROVEMENTS IN VETERANS’ EMPLOYMENT AND TRAINING SERVICES.

(a) INCLUSION OF INTENSIVE SERVICES.—

(1) IN GENERAL.—(A) Section 4101 is amended by adding at the end the following new paragraph:

“(9) The term ‘intensive services’ means local employment and training services of the type described in section 134(d)(3) of the Workforce Investment Act of 1998.”.

(B) Section 4102 is amended by striking “job and job training counseling service program,” and inserting “job and job training intensive services program.”.

(C) Section 4106(a) is amended by striking “proper counseling” and inserting “proper intensive services”.

(D) Section 4107(a) is amended by striking “employment counseling services” and inserting “intensive services”.

(E) Section 4107(c)(1) is amended by striking “the number counseled” and inserting “the number who received intensive services”.

(F) Section 4109(a) is amended by striking “counseling,” each place it appears and inserting “intensive services.”.

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect on the date of the enactment of this Act.

(b) ADDITIONAL VETS DUTY TO IMPLEMENT TRANSITIONS TO CIVILIAN CAREERS.—

(1) IN GENERAL.—(A) Section 4102 is amended by striking the period and inserting “, including programs carried out by the Veterans’ Employment and Training Service to implement all efforts to ease the transition of servicemembers to civilian careers that are consistent with, or an outgrowth of, the military experience of the servicemembers.”.

(B) Such section is further amended by striking “and veterans of the Vietnam era” and inserting “and veterans who served on active duty during a war or in a campaign or expedition for which a campaign badge has been authorized”.

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect on the date of the enactment of this Act.

(c) MODERNIZATION OF EMPLOYMENT SERVICE DELIVERY POINTS TO INCLUDE TECHNOLOGICAL INNOVATIONS.—

(1) IN GENERAL.—Section 4101(7) is amended to read as follows:

“(7) The term ‘employment service delivery system’ means a service delivery system at which or through which labor exchange services, including employment, training, and placement services, are offered in accordance with the Wagner-Peyser Act.”.

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect on the date of the enactment of this Act.

(d) INCREASE IN ACCURACY OF REPORTING SERVICES FURNISHED TO VETERANS.—

(1) IN GENERAL.—(A) Section 4107(c)(1) is amended—

(i) by striking “veterans of the Vietnam era,”; and

(ii) by striking “and eligible persons who registered for assistance with” and inserting “eligible persons, recently separated veterans (as defined in section 4211(6) of this title), and servicemembers transitioning to civilian careers who registered for assistance with, or who are identified as veterans by,”.

(B) Section 4107(c)(2) is amended—

(i) by striking “the job placement rate” the first place it appears and inserting “the rate of entered employment (as determined in a manner consistent with State performance measures applicable under section 136(b) of the Workforce Investment Act of 1998)”;

(ii) by striking “the job placement rate” the second place it appears and inserting “such rate of entered employment (as so determined)”.

(C) Section 4107(c)(4) is amended by striking “sections 4103A and 4104” and inserting “section 4212(d)”.

(D) Section 4107(c) is amended—

(i) by striking “and” at the end of paragraph (4);

(ii) by striking the period at the end of paragraph (5) and inserting “; and”; and

(iii) by adding at the end the following new paragraph:

“(6) a report on the operation during the preceding program year of the program of performance incentive awards for quality employment services under section 4112 of this title, including an analysis of the amount of incentives distributed to each State and the rationale for such distribution.”.

(E) Section 4107(b), as amended by section 4(a)(3)(B), is further amended by striking the second sentence and inserting the following: “Not later than February 1 of each year, the Secretary shall report to the Committees on Veterans’ Affairs of the Senate and the House of Representatives on the performance of States

and organizations and entities carrying out employment, training, and placement services under this chapter, as measured under subsection (b)(7) of section 4102A of this title. In the case of a State that the Secretary determines has not met the minimum standard of performance (established by the Secretary under subsection (f) of such section), the Secretary shall include an analysis of the extent and reasons for the State's failure to meet that minimum standard, together with the State's plan for corrective action during the succeeding year."

(2) **EFFECTIVE DATE.**—The amendments made by paragraph (1) shall apply to reports for program years beginning on or after July 1, 2002.

(e) **CLARIFICATION OF AUTHORITY OF NVETSI TO PROVIDE TRAINING FOR PERSONNEL OF OTHER DEPARTMENTS AND AGENCIES.**—Section 4109 is amended by adding at the end the following new subsection:

"(c)(1) Nothing in this section shall be construed as preventing the Institute to enter into contracts or agreements with departments or agencies of the United States or of a State, or with other organizations, to carry out training of personnel of such departments, agencies, or organizations in the provision of services referred to in subsection (a).

"(2) All proceeds collected by the Institute under a contract or agreement referred to in paragraph (1) shall be applied to the applicable appropriation."

**SEC. 6. COMMITTEE TO RAISE EMPLOYER AWARENESS OF SKILLS OF VETERANS AND BENEFITS OF HIRING VETERANS.**

(a) **ESTABLISHMENT OF COMMITTEE.**—There is established within the Department of Labor a committee to be known as the President's National Hire Veterans Committee (hereinafter in this section referred to as the "Committee").

(b) **DUTIES.**—The Committee shall establish and carry out a national program to do the following:

(1) To furnish information to employers with respect to the training and skills of veterans and disabled veterans, and the advantages afforded employers by hiring veterans with such training and skills.

(2) To facilitate employment of veterans and disabled veterans through participation in America's Career Kit national labor exchange, and other means.

(c) **MEMBERSHIP.**—(1) The Secretary of Labor shall appoint 15 individuals to serve as members of the Committee, of whom one shall be appointed from among representatives nominated by each organization described in subparagraph (A) and of whom eight shall be appointed from among representatives nominated by organizations described in subparagraph (B).

(A) Organizations described in this subparagraph are the following:

- (i) The Ad Council.
- (ii) The National Committee for Employer Support of the Guard and Reserve.
- (iii) Veterans' service organizations that have a national employment program.
- (iv) State employment security agencies.
- (v) One-stop career centers.
- (vi) State departments of veterans affairs.
- (vii) Military service organizations.

(B) Organizations described in this subparagraph are such businesses, small businesses, industries, companies in the private sector that furnish placement services, civic groups, workforce investment boards, and labor unions as the Secretary of Labor determines appropriate.

(2) The following shall be *ex officio*, nonvoting members of the Committee:

- (A) The Secretary of Veterans Affairs.
- (B) The Secretary of Defense.
- (C) The Assistant Secretary of Labor for Veterans' Employment and Training.
- (D) The Administrator of the Small Business Administration.
- (E) The Postmaster General.
- (F) The Director of the Office of Personnel Management.

(3) A vacancy in the Committee shall be filled in the manner in which the original appointment was made.

(d) **ADMINISTRATIVE MATTERS.**—(1) The Committee shall meet not less frequently than once each calendar quarter.

(2) The Secretary of Labor shall appoint the chairman of the Committee.

(3)(A) Members of the Committee shall serve without compensation.

(B) Members of the Committee shall be allowed reasonable and necessary travel expenses, including per diem in lieu of subsistence, at rates authorized for persons serving intermittently in the Government service in accordance with the provisions of subchapter I of chapter 57 of title 5 while away from their homes or regular places of business in the performance of the responsibilities of the Committee.

(4) The Secretary of Labor shall provide staff and administrative support to the Committee to assist it in carrying out its duties under this section. The Secretary shall assure positions on the staff of the Committee include positions that are filled by individuals that are now, or have ever been, employed as one of the following:

(A) Staff of the Assistant Secretary of Labor for Veterans' Employment and Training under section 4102A of title 38, United States Code as in effect on the date of the enactment of this Act.

(B) Directors for Veterans' Employment and Training under section 4103 of such title as in effect on such date.

(C) Assistant Director for Veterans' Employment and Training under such section as in effect on such date.

(D) Disabled veterans' outreach program specialists under section 4103A of such title as in effect on such date.

(E) Local veterans' employment representatives under section 4104 of such title as in effect on such date.

(5) Upon request of the Committee, the head of any Federal department or agency may detail, on a nonreimbursable basis, any of the personnel of that department or agency to the Committee to assist it in carrying out its duties.

(6) The Committee may contract with and compensate government and private agencies or persons to furnish information to employers under subsection (b)(1) without regard to section 3709 of the Revised Statutes (41 U.S.C. 5).

(e) **REPORT.**—Not later than December 31, 2003, 2004, and 2005, the Secretary of Labor shall submit to Congress a report on the activities of the Committee under this section during the previous fiscal year, and shall include in such report data with respect to placement and retention of veterans in jobs attributable to the activities of the Committee.

(f) **TERMINATION.**—The Committee shall terminate 60 days after submitting the report that is due on December 31, 2005.

(g) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to the Secretary of Labor from the employment security administration account (established in section 901 of the Social Security Act (42 U.S.C. 1101)) in the Unemployment Trust Fund \$3,000,000 for each of fiscal years 2003 through 2005 to carry out this section.

**SEC. 7. SENSE OF CONGRESS COMMENDING VETERANS AND MILITARY SERVICE ORGANIZATIONS.**

It is the sense of Congress that—

(1) veterans and military service organizations are to be commended for the continued assistance the organizations provide veterans; and

(2) veterans and military service organizations are encouraged to provide job placement assistance to veterans who are job-ready by making personal computers with access to electronic job placement services and programs available to veterans at local posts and through other means.

**SEC. 8. STUDY ON ECONOMIC BENEFITS TO THE UNITED STATES OF LONG-TERM SUSTAINED EMPLOYMENT OF VETERANS.**

(a) **STUDY.**—The Secretary of Labor shall enter into a contract with an appropriate organization or entity to conduct a study to quantify the economic benefit to the United States attributable to the provision of employment and training services under chapter 41 of title 38, United States Code, in assisting veterans to attain long-term, sustained employment. Such study shall include analyses on the impact of such employment on Federal, State, and local tax generated by reason of such employment, the contributions of such employment on the domestic gross national product, and such other indicators of the effect of such employment on the economy of the United States.

(b) **REPORT.**—A condition of the contract under subsection (a) shall be that the organization submit to the Secretary of Labor a report on the study conducted by the organization not later than 18 months after the date on which that Secretary enters into such contract.

(c) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to the Secretary of Labor \$1,000,000 to carry out the provisions of this section, such sums to remain available until expended.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey (Mr. SMITH) and the gentleman from Mississippi (Mr. SHOWS) each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. SMITH).

Mr. SMITH of New Jersey. Mr. Speaker, I yield such time as he may consume to the gentleman from Idaho (Mr. SIMPSON), the distinguished chairman of our Subcommittee on Benefits of the Committee on Veterans' Affairs.

Mr. SIMPSON. Mr. Speaker, we all agree our veterans are a unique national resource. H.R. 4015 provides us the opportunity to approve legislation that helps them get jobs. That is the bottom line of this legislation.

The Jobs for Veterans Act essentially creates a new Department of Labor delivery system for veterans' employment and training services in light of the Government Performance and Results Act, the new One-Stop Career Centers under the Workforce Investment Act of 1998 and the availability of self-service job assistance by way of the Internet.

H.R. 4015 can be described in four words: Incentives, results, flexibility and accountability in the delivery of employment and training services for veterans through individual States and counties.

The bill we are considering will (1) give the States more program delivery flexibility and a new performance incentive program, (2) create a 3-year phase in period for the new funding formula, (3) create a "hold harmless" provision for small States with respect to the funding formula, (4) clarify intent regarding the hiring of veterans for Disabled Veteran Outreach Specialists and Local Veterans Representatives, (5) create the President's National Hire Veterans Committee, and (6) create a one-stop, full-service job service office on the Internet for service members and veterans.

The Subcommittee on Benefits of the Committee on Veterans' Affairs has been working on this veterans' employment legislation for 2 years now, and I applaud the hard work of the gentleman from New York (Mr. QUINN), the gentleman from California (Mr. FILLNER) and the gentleman from Arizona (Mr. HAYWORTH) on earlier versions of this bill. I also want to recognize the ranking member of the Subcommittee on Benefits of the Committee on Veterans' Affairs, the gentleman from Texas (Mr. REYES), for his leadership on this issue, as well as the chairman and the ranking member of the full committee, the gentleman from New Jersey (Chairman SMITH) and the gentleman from Illinois (Mr. EVANS) for their support.

Mr. Speaker, with about 215,000 service members estimated to separate from the armed forces in fiscal year 2003, this bill is a win-win situation for both our veterans and the economy. I urge my colleagues to support H.R. 4015.

Mr. SHOWS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as an original cosponsor of H.R. 4015, I rise in strong support of this measure, the Jobs for Veterans Act. This important legislation will improve the delivery of job services to veterans and the percentage of veterans who are placed in meaningful employment.

H.R. 4015 is a product of dedicated work by many people. In particular, I want to recognize and thank our chairman, the gentleman from New Jersey (Mr. SMITH), the ranking Democrat member, the gentleman from Illinois (Mr. EVANS), the gentleman from Idaho (Mr. SIMPSON), the gentleman from Texas (Mr. REYES) and the gentleman from New York (Mr. QUINN) for their many contributions.

For years, outdated provisions of law hampered the delivery of employment services to veterans. H.R. 4015, as amended, provides needed flexibility in providing job services to members. This new flexibility, combined with performance incentives and improved measures of performance provided by this legislation, will result in improved employment opportunities for our Nation's veterans.

We have a national responsibility to assist our veterans in their efforts to find and maintain stable, permanent employment. I know firsthand that there are a lot of hard-working, caring people providing employment services to veterans. Every day, these dedicated people strive to fulfill our national commitment. They are the Disabled Veterans Outreach Program Specialists, the Local Veterans Employment Representatives, community-based nonprofits and veterans' service organizations. Many, in fact, are veterans themselves.

I applaud the cooperative effort that has transpired among my colleagues, the veterans' community and the Secretary of Labor to evaluate the roles

and functions of veterans' employment specialists. Changes in the number and responsibilities of these important positions must always be made very carefully and with consensus among the veterans and employment service communities.

In this regard, I am pleased that the new funding formula contemplated in H.R. 4015 focuses on the number of job-seeking veterans in each State and each State's unemployment rate. This seems to be a good way to factor in the unique economic and labor conditions that might otherwise be overlooked.

I believe it is important to provide incentives to States to improve employment services to veterans. This bill provides for financial incentives to both States which have high quality programs and those who show marked improvement. We have heard complaints that the current system does not recognize the achievements of States who work hard to place severely disadvantaged veterans, including disabled veterans, in quality employment. I hope these incentives will encourage such efforts.

I want to stress that although the committee has introduced some flexibility in hiring non-veterans as Disabled Veterans Outreach Program Specialists and Local Employment Veterans Representatives, the committee expects those positions will ordinarily be held by veterans, including disabled veterans. In order to monitor the flexibility granted, States are required to report and provide supporting rationale to the Department of Labor whenever a non-veteran is employed as a DVOP or LVER for a period of more than 6 months.

Mr. Speaker, it is my understanding that in some cases veterans have gone without services because no qualified veteran was available to serve as a DVOP on even a temporary basis while efforts were under way to recruit and train a qualified veteran. The flexibility in this bill is intended to assure that the needs of the veterans do not get unmet in such situations.

The provision also provides some ability to utilize the services of non-veterans. For example, due to a geographically dispersed veterans' population in a large State, it may not be feasible to hire veterans for limited hours of service.

Mr. Speaker, H.R. 4015 will result in improved service to our Nation's unemployed and underemployed veterans. I urge all Members to support it.

Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank our distinguished chairman for his leadership in authoring this bill and working it through the committee hearings and markup, and the gentleman from Texas (Mr. REYES) as well, the ranking member, and the gentleman from Illinois (Mr. EVANS), the ranking member of the full committee.

It has been, again, an effort made by so many. I want to thank a few other people on the staff again. Pat Ryan and Kingston Smith, Jeannie McNally, Summer Larson, Darryl Kehrer, who has done yeoman's work on this, Paige McManus, Devon Siebert, Jerry Tan, Mary McDermott, Mary Ellen McCarthy and Beth Kilker.

Again, so much has gone into this. The distinguished chairman talked about the 2-year effort, and that the previous chairman of the subcommittee worked on this as well. This bill, we hope, will be very seriously and quickly considered by the Senate side. This has to be enacted into law as soon as humanly possible. Again, I thank him for his leadership.

#### GENERAL LEAVE

Mr. SMITH of New Jersey. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 4015, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SMITH of New Jersey. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SHOWS. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Ms. MILLENDER-MCDONALD.)

□ 1445

Ms. MILLENDER-MCDONALD. Mr. Speaker, as we embark upon this Memorial Day weekend and pay homage to our veterans, I rise in strong support of H.R. 4015, the Jobs for Veterans Act.

I appreciate the commitment and diligent work of the Committee on Veterans' Affairs and the distinguished gentleman from New Jersey (Mr. SMITH) and the distinguished gentleman from Illinois (Mr. EVANS) and all others who have partaken of this piece of legislation on behalf of our Nation's veterans.

It is a familiar principle among veterans in our armed services that we do not leave our wounded behind. Jobless and homeless veterans are our Nation's wounded, and we cannot afford to leave them without support. H.R. 4015 reflects the debt of gratitude we owe to those who have served our country with honor. It also signals our enduring commitment to the men and women in uniform who today defend our freedom throughout the world.

Veterans represent a unique and invaluable human resource for American society and the economy. Service personnel leave the military knowing that they have made a vital contribution to our country. Veterans want to continue making meaningful contributions as they return to civilian life. However, in 21 States, fewer than 10 percent of veterans between the ages of 22 and 44 were placed in employment after seeking job search assistance from State service providers. During



2001, there was an average of 519 unemployed veterans; and in the same time period, 32 percent of unemployed veterans experienced 15 or more consecutive weeks of unemployment. This is unacceptable.

Mr. Speaker, we have to do better. I urge everyone to support this legislation.

Ms. CARSON of Indiana. Mr. Speaker, I would like to thank Chairman SIMPSON and Ranking member REYES of the Benefits Subcommittee for their hard work to bring this bill to the floor of the House.

This bill will allow the State of Indiana to tailor our veterans programs to provide the greatest benefit to the greatest number of veterans. These include eligible veterans who have served since the Vietnam War, including; Lebanon, Bosnia, Desert Storm, and Enduring Freedom.

All 567,000 Indiana veterans and spouses of certain veterans will be eligible for priority of service for employment, training, and placement services in any job training program directly funded by the Department of Labor.

It will also make eligible for federal contracts: disabled veterans; veterans who served on active duty during a war or in a campaign or expedition in which a campaign badge has been authorized; veterans who participated in military operation for which an Armed Services medal was awarded; or veterans discharged or released from military service within the past three years.

It is important that those veterans who served their country and settled around the country, like my home state of Indiana, should not be penalized for their military service. In fact, it should be celebrated.

This will allow the experience of these veterans to enrich Indiana and add to the quality of life for all Hoosiers.

All states would now have an incentive to make that extra for their veterans, like the effort these veterans have made for our country.

Mr. Speaker, this legislation can only help the veterans in Indiana and around the country and urge all my colleagues to join in my support.

Mr. HASTINGS of Florida. Mr. Speaker, this bill on the floor today will significantly improve the lives of the veterans who have served us so honorably.

H.R. 4015, the Jobs for Veterans Act, grants priority placement in certain job training programs for veterans and their spouses. Beginning with \$10 million in FY 2004, this bill authorizes increasing amounts through FY 2008, and such sums as may be necessary in FY 2009 and succeeding years, for a new performance incentive awards program to encourage states to improve their employment, training, and placement programs for veterans. This incentive program will award the states that have the best record in helping veterans find work. The awards will take the form of new contracts for veterans employment programs.

This bill also establishes the President's National Hire Veterans Committee to take actions to facilitate the employment of veterans and disabled veterans.

Mr. REYES. Mr. Speaker, I thank Chairman SMITH, Democratic Ranking Member EVANS, and the Chairman of our Subcommittee, MIKE SIMPSON, for their work on H.R. 4015. This bill is the product of a lot of hard work by our

present Benefits Subcommittee as well as its former Chairman, JACK QUINN, and Ranking Member BOB FILNER.

When enacted, this measure will result in increased and improved job placements for veterans who use the public labor exchange and receive assistance from Disabled Veterans Program Outreach and Local Veterans Employment Representatives.

Mr. Speaker, during our hearing on this bill, I was particularly disturbed that March 2002, data from the Bureau of Labor Statistics (BLS) indicated a very high rate of unemployment for young male veterans, especially minority veterans. In March 2002, male veterans aged 20 to 24 had an unemployment rate of 26 percent compared to 12 percent of all males. For African Americans, the rate was 54 percent and for Hispanic veterans, 30 percent. At this point in time, it is not clear if the data from March 2002, which is considerably worse than that reported during all of Fiscal Year 2001, is an anomaly or a trend. I expect the Department of Labor, under the provisions of this bill, to pay special attention to areas where minority veterans are disproportionately represented in the unemployed labor force. I hope that by providing more flexibility to the States, intensive services will be directed to such veterans.

During the hearing on the bill, some concerns were raised concerning increased flexibility to the states in permitting nonveterans to be employed as Disabled Veterans Outreach Program Specialists (DVOP) and Local Veterans Employment Representatives (LVER). I requested that certain changes be made in the bill and I appreciate Chairman Simpson's cooperation in strengthening this section of the bill.

In order to emphasize the Committee's expectation that these positions ordinarily be filled by veterans, the language in the bill now indicates that to "the maximum extent practicable", veterans be employed in these positions. Since the bill allows for part time as well as full time employees in these positions, the States may find circumstances under which a qualified veteran may not be available to provide services most effectively or efficiently. In order to assure compliance with the Committee's intention that permanent positions ordinarily be filled by veterans, the States are required to submit information and supporting rationale to the Secretary whenever non-veterans are employed in these positions for more than six months. I intend to monitor this provision closely.

I believe that H.R. 4015 will provide the states with the flexibility that they need in order to effectively meet the needs of veterans in the 21st century. I urge all Members to support this bill.

Mr. GILMAN. Mr. Speaker, I rise today in strong support of H.R. 4015, the Jobs for Veterans Act, and I commend the distinguished Chairman of the Veterans Affairs Committee, the gentleman from New Jersey, Mr. SMITH.

This legislation provides priority of service to veterans and spouses of certain veterans for the receipt of employment, training, and placement services in any job training program directly funded, in whole or in part by the Department of Labor. This bill also provides, with respect to Federal contracts and subcontracts in the amount of \$100,000 or more, the contractor to take affirmative action to employ and advance in employment qualified veterans, including listing employment openings imme-

diately through the appropriate employment delivery system.

This measure also changes "Veterans Re-adjustment Authority (VRA)" to "Veterans Recruitment Authority" and changes eligibility for such appointment from Vietnam ERA and post-Vietnam ERA veterans to qualified covered veterans within the 10-year period that begins on the date of the veterans' last discharge; the 10-year period will not apply to a veteran with a service-connected disability of 30 percent or more.

Additionally, the bill requires the Secretary to carry out a program of performance incentive cash awards to States to encourage the improvement and modernization of employment, training and placement services to veterans; such program begins with the program year that begins in FY 2004, with respect to services provided during the preceding program year.

Funding for this incentive program is authorized to be appropriated for the Secretary to carry out a program of performance incentive awards of \$10 million for the program year beginning in FY 2004 (for performance in FY 2003); \$25 million for the program year beginning in FY 2005; \$50 million for the program year beginning in FY 2006; \$75 million for the program year beginning in FY 2007; and \$100 million for the program year beginning in FY 2008.

This bill also makes a number of adjustments to the manner in which the Secretary of the VA furnishes veterans job training funds to the States. The primary goal of the change is to fund States in proportion to the level of veterans who are seeking employment with it. This change will be phased in over a three year period beginning in October 2002.

Finally, this measure directs the VA to develop and implement comprehensive accountability system to measure the performance of training programs within the States.

Mr. Speaker, like the other veterans measures being considered by the House today, this bill is appropriately paying tribute to the service and sacrifice for our Nation's veterans, by offering improvements to existing job training programs. Accordingly, I urge my colleagues to give H.R. 4015 their unqualified support.

Mr. SHOWS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LATOURETTE). The question is on the motion offered by the gentleman from New Jersey (Mr. SMITH) that the House suspend the rules and pass the bill, H.R. 4015, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. SMITH of New Jersey. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

# VETERANS' AND SURVIVORS' BENEFITS EXPANSION ACT OF 2002

Mr. SMITH of New Jersey. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4085) to increase, effective as of December 1, 2002, the rates of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of certain service-connected disabled veterans, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4085

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

## SECTION 1. SHORT TITLE.

This Act may be cited as the “Veterans’ and Survivors’ Benefits Expansion Act of 2002”.

## SEC. 2. INCREASE IN RATES OF DISABILITY COMPENSATION AND DEPENDENCY AND INDEMNITY COMPENSATION.

(a) **RATE ADJUSTMENT.**—The Secretary of Veterans Affairs shall, effective on December 1, 2002, increase the dollar amounts in effect for the payment of disability compensation and dependency and indemnity compensation by the Secretary, as specified in subsection (b).

(b) **AMOUNTS TO BE INCREASED.**—The dollar amounts to be increased pursuant to subsection (a) are the following:

(1) **COMPENSATION.**—Each of the dollar amounts in effect under section 1114 of title 38, United States Code.

(2) **ADDITIONAL COMPENSATION FOR DEPENDENTS.**—Each of the dollar amounts in effect under sections 1115(1) of such title.

(3) **CLOTHING ALLOWANCE.**—The dollar amount in effect under section 1162 of such title.

(4) **NEW DIC RATES.**—The dollar amounts in effect under paragraphs (1) and (2) of section 1311(a) of such title.

(5) **OLD DIC RATES.**—Each of the dollar amounts in effect under section 1311(a)(3) of such title.

(6) **ADDITIONAL DIC FOR SURVIVING SPOUSES WITH MINOR CHILDREN.**—The dollar amount in effect under section 1311(b) of such title.

(7) **ADDITIONAL DIC FOR DISABILITY.**—The dollar amounts in effect under sections 1311(c) and 1311(d) of such title.

(8) **DIC FOR DEPENDENT CHILDREN.**—The dollar amounts in effect under sections 1313(a) and 1314 of such title.

(c) **DETERMINATION OF INCREASE.**—(1) The increase under subsection (a) shall be made in the dollar amounts specified in subsection (b) as in effect on November 30, 2002.

(2) Except as provided in paragraph (3), each such amount shall be increased by the same percentage as the percentage by which benefit amounts payable under title II of the Social Security Act (42 U.S.C. 401 et seq.) are increased effective December 1, 2002, as a result of a determination under section 215(i) of such Act (42 U.S.C. 415(i)).

(3) Each dollar amount increased pursuant to paragraph (2) shall, if not a whole dollar amount, be rounded down to the next lower whole dollar amount.

(d) **SPECIAL RULE.**—The Secretary may adjust administratively, consistent with the increases made under subsection (a), the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85-857 (72 Stat. 1263) who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

(e) **PUBLICATION OF ADJUSTED RATES.**—At the same time as the matters specified in section 215(i)(2)(D) of the Social Security Act (42 U.S.C. 415(i)(2)(D)) are required to be published by reason of a determination made under section 215(i) of such Act during fiscal year 2003, the Secretary of Veterans Affairs shall publish in the Federal Register the amounts specified in subsection (b), as increased pursuant to that section.

## SEC. 3. RETENTION OF DEPENDENCY AND INDEMNITY COMPENSATION FOR SURVIVING SPOUSES REMARRYING AFTER AGE 65.

(a) **EXCEPTION TO TERMINATION OF BENEFITS UPON REMARRIAGE.**—Paragraph (2) of section 103(d) of title 38, United States Code, is amended by striking “if the remarriage” and all that follows and inserting “if—

“(A) the remarriage occurs after the surviving spouse attains age 65 ;

“(B) the remarriage has been terminated by death; or

“(C) the remarriage has been terminated by divorce, unless the Secretary determines that the divorce was secured through fraud or collusion.”.

(b) **CONFORMING AMENDMENTS.**—Paragraph (4) of such section is amended—

(1) by striking “The first month” and all the follows through “shall be” and inserting the following “When eligibility for benefits for a surviving spouse is restored by reason of this subsection, the first month of eligibility for such benefits shall be”; and

(2) in subparagraph (A), by striking “described in” and inserting “with a remarriage described in subparagraph (B) or (C) of”.

(c) **INCLUSION OF DEATH COMPENSATION AMONG RESTORED BENEFITS.**—Subparagraph (A) of paragraph (5) of such section is amended to read as follows:

“(A) Sections 1121 and 1311, relating to death compensation and dependency and indemnity compensation, respectively.”.

(d) **APPLICATION FOR BENEFITS.**—In the case of an individual who but for having remarried would be eligible for dependency and indemnity compensation under section 1311 of title 38, United States Code, or death compensation under section 1121 of such title, and whose remarriage was before the date of the enactment of this Act and after the individual had attained age 65, the individual shall be eligible for such compensation by reason of the amendments made by subsection (a) only if the individual submits an application for such compensation to the Secretary of Veterans Affairs not later than the end of the one-year period beginning on the date of the enactment of this Act.

(e) **COORDINATION OF BENEFITS.**—Section 1311 of such title is amended by adding at the end the following new subsection:

“(e) In the case of an individual who is eligible for dependency and indemnity compensation under this section by reason of section 103(d)(2)(A) of this title who is also eligible for benefits under another provision of law by reason of such individual’s status as the surviving spouse of a veteran, then, notwithstanding any other provision of law, no reduction in benefits under such other provision of law shall be made by reason of such individual’s eligibility for benefits under this section.”.

## SEC. 4. UNIFORM HOME LOAN GUARANTY FEES FOR QUALIFYING MEMBERS OF THE SELECTED RESERVE AND ACTIVE DUTY VETERANS.

(a) **IN GENERAL.**—Paragraph (2) of section 3729(b) of title 38, United States Code, is amended—

(1) by inserting “(A)” after “(2)”;

(2) by inserting “for any loan closed after September 30, 2005” after “paragraph (1)”; and

(3) by adding at the end the following:

“(B) The loan fee table referred to in paragraph (1) for any loan closed during the period beginning on October 1, 2002, and ending on September 30, 2005, is as follows:

### “LOAN FEE TABLE

Type of loan	Veteran	Other obligor
(A)(i) Initial loan described in section 3710(a) to purchase or construct a dwelling with 0-down, or any other initial loan described in section 3710(a) other than with 5-down or 10-down (closed before October 1, 2008) .....	2.00	NA
(A)(ii) Initial loan described in section 3710(a) to purchase or construct a dwelling with 0-down, or any other initial loan described in section 3710(a) other than with 5-down or 10-down (closed on or after October 1, 2008) .....	1.25	NA
(B)(i) Subsequent loan described in section 3710(a) to purchase or construct a dwelling with 0-down, or any other subsequent loan described in section 3710(a) (closed before October 1, 2008) .....	3.00	NA
(B)(ii) Subsequent loan described in section 3710(a) to purchase or construct a dwelling with 0-down, or any other subsequent loan described in section 3710(a) (closed on or after October 1, 2008) .....	1.25	NA
(C)(i) Loan described in section 3710(a) to purchase or construct a dwelling with 5-down (closed before October 1, 2008) .....	1.50	NA
(C)(ii) Loan described in section 3710(a) to purchase or construct a dwelling with 5-down (closed on or after October 1, 2008) .....	0.75	NA